NCA
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SECRETARY BLUMENTHAL ON ANTI-INFLATION MOVES

ANNCR:

U.S.TREASURY SECRETARY MICHAEL BLUMENTHAL HAS UNDERSCORED PRESIDENT CARTER'S COMMITMENT TO THE ADMINISTRATION'S ANTI-INFLATION PLANS. VOA BUSINESS AND ECONOMICS EDITOR FRANK FEINBERG HAS THIS BACKGROUND REPORT:

VOICE:

SECRETARY BLUMENTHAL, AT HIS WASHINGTON NEWS CONFERENCE, WEDNESDAY, WAS INTENT ON CONVINCING THE NEWS MEDIA AND THE NATION THAT THE CARTER ADMINISTRATION WILL PERSEVERE IN ITS ANTI-INFLATION PLANS. SOME CRITICS HAVE REMARKED THAT PREVIOUS ANTI-INFLATION POSITIONS ANNOUNCED BY THE WHITE HOUSE HAVE NOT BEEN SUPPORTED AS VIGOROUSLY AS NEEDED.

IN HIS ADDRESS TUESDAY--WHEN HE OUTLINED HIS ANTI-INFLATION GOALS--PRESIDENT CARTER SAID IT IS HIS RESPONSIBILITY TO SPEAK OUT FIRMLY ON THIS VITAL ISSUE. AND SECRETARY BLUMENTHAL--IN BACKING UP THE PRESIDENT'S ENUNCIATED POSITION--SAID ONLY STRONG AND FORCEFUL ACTION WILL RESTRAIN INFLATION. THE SECRETARY DESCRIBED INFLATION AS A SERIOUS PROBLEM, AND SAID THE PRESIDENT AND HIS AIDES ARE COMMITTED TO FIGHT IT--IN HIS WORDS--WITH GREAT VIGOR.

THIS DEFINITIVE ASSERTION BY THE U.S. TREASURY SECRETARY--WHO IS A KEY ECONOMIC POLICY PLANNER--FURTHER SIGNALS THE ADMINISTRATION'S DETERMINATION TO TREAT INFLATION AS PERHAPS THE PRIORITY DOMESTIC PROBLEM. MISTER BLUMENTHAL REPEATEDLY SAID THE INFLATION RATE MUST BE DECELERATED. HE OBSERVED THAT RISING

PRICES FOR FOOD--PARTICULARLY MEAT--AND THE WAGE HIKE IN THE COAL STRIKE SETTLEMENT HAVE PUSHED THE INFLATION RATE ABOVE THE SIX PERCENT FIGURE THAT PREVAILED MOST OF LAST YEAR.

TREASURY SECRETARY BLUMENTHAL--AS PRESIDENT CARTER DID ON TUESDAY -- GAVE CLEAR NOTICE TO BOTH BUSINESS AND UNIONS THAT THEIR CO-OPERATION IS NEEDED--AND EXPECTED--BY THE GOVERNMENT IN THE ANTI-INFLATION EFFORTS. HE NOTED THAT GOVERNMENT CONTROLS OVER PRICES AND WAGES ARE ABHORRED BY BOTH GROUPS, AND THAT THE CARTER ADMINISTRATION WILL ADHERE TO ITS VOLUNTARY CO-OPERATION TACTICS. BUT HE EMPHATICALLY DECLARED THAT IF WHOLEHEARTED CO-OPERATION IS NOT GIVEN, AND THIS RESULTS IN HIGHER INFLATION AND AN ECONOMIC SLOWDOWN, THEN THE RESPONSIBILITY WILL REST SQUARELY WITH THE OFFENDERS.

TREASURY SECRETARY BLUMENTHAL IS WORKING WITH OTHER ADMINISTRATION MEMBERS TO PREPARE FOR THE UPCOMING SUMMIT CONFERENCE OF POLITICAL LEADERS OF THE INDUSTRIALIZED DEMOCRACIES IN JULY AT BONN. HE WILL MEET THIS MONTH IN EUROPE WITH OFFICIALS OF OTHER NATIONS ATTENDING THE GATHERING. MISTER BLUMENTHAL SAID THE OBJECTIVE OF THE PRE-SUMMIT MEETINGS IS TO ATTEMPT TO CO-ORDINATE POLICIES FOR THE WELL BEING OF ALL THE NATIONS INVOLVED

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